

MONTGOMERY COUNTY COMMUNITY DEVELOPMENT CORPORATION
Missouri

State Member Bank: FIRST BANK
Creve Coeur, Missouri

Investment Date: April 1995

Investment Amount: \$10,000 pledged; \$4,125 invested

Description: The Montgomery County CDC is a multi-bank CDC that promotes economic development to create and retain jobs, help new and existing businesses, improve the quality of housing stock, and expand the tax base. The CDC provides both equity and subordinated debt and also provides technical and financial assistance to existing and start-up small businesses and individuals in Montgomery County.

First Bank made its first investment in the CDC of \$4,125 in April 1995, as did each of the other seven CDC participating investors. Each has pledged to provide up to a \$10,000 investment in the CDC on a subscription basis.

Other investors are: Bank of Wellsville; Jonesburg State Bank; Martinsburg Bank; Peoples Savings Bank, Rhineland; Mercantile Bank of Montgomery City; Consolidated Electric Cooperative, Mexico, MO; and Union Electric.

The CDC has approved a loan for \$33,000 to a small business to be used for purchase of new equipment to provide for business expansion. The expansion allows the business to convert from part-time to full-time employees. One of the participating banks in the CDC is providing the business with funds to construct a new building to house the expanding business.

Contact: Glenn W. Schupp
Branch President
First Bank
P.O. Box 28
Montgomery City, Missouri 63361
(573) 564-2227
FAX (573) 564-2034

ST. LOUIS BUSINESS DEVELOPMENT FUND
St. Louis, Missouri

State Member Banks: CASS BANK & TRUST, St. Louis
LINDELL BANK & TRUST COMPANY, St. Louis
SOUTHERN COMMERCIAL BANK, St. Louis

Investment Date: March 1995

Investments: \$400,000 total; \$25,000 each investor

Description: The \$400,000 Phase I capitalization goal has been completed for the St. Louis Business Development Fund (BDF), a multi-bank lending corporation whose mission is to provide subordinated financing for economic development projects in St. Louis City and County. Fourteen financial institutions are among the BDF's initial investors.

BDF loans can range from \$20,000 to \$50,000 and terms and interest rates are negotiable. Typical projects will demonstrate growth potential but are beyond the level of risk normally assumed by the bank. An example of the type of project the BDF might consider would be a successful manufacturer that wants to introduce a new, but unrelated, product line. The unknown potential of the new line may preclude bank-only financing but might be financed with a BDF loan subordinated to a bank's loan.

In addition to the three state member banks listed above, 12 other St. Louis area banks are shareholders in the Fund: Allegiant Bank, Commerce Bank, Heartland Savings Bank, Magna Bank, Mercantile Bank, Missouri State Bank, NationsBank, Normandy Bank, Pioneer Bank & Trust, Southside National Bank and Southwest Bank. The St. Louis County Economic Council and St. Louis Development Corporation administer the Fund and are also investors.

Contact: Richard M. Palank
St. Louis County Economic Council
121 S. Meramec
Clayton, Missouri 63105
(314) 889-7663
FAX (314) 889-7666

RURAL ADAMS DEVELOPMENT CORPORATION
Adams County, Illinois

State Member Bank: STATE BANK OF LIMA, ILLINOIS

Date of Investment: 1991

Investments: \$15,000

Description: Seven Adams County banks and two Co-Ops have formed the Rural Adams Development Corporation to assist start-up businesses in rural Adams County, Illinois. The investors are: Farmers State Bank, Camp Point; Golden State Bank, Golden; State Bank of Lima; North Adams State Bank, Ursa; Central State Bank, Clayton; Farmers Bank of Liberty; Omni Bank, Paloma; Soy Land Power CO-OP, Jacksonville; and Adams Electrical CO-OP, Camp Point.

The Rural Adams Development Corporation was formed to help provide start-up businesses with seed capital. For the CDC to fund a business, it must be located in rural Adams County, since this CDC wants to encourage job development there. The business owner must have a good working knowledge as well as a plan for the business they are seeking funds to start.

The Rural Adams Development Corporation does not have a set amount as a maximum for loans, but it is based on the amount of funds available. The CDC has made 29 loans totaling approximately \$480,000. As of June 30, 1997, they have 14 outstanding loans totaling \$241,823.49.

Contact: Mark Fields
Farmers Bank of Liberty
P.O. Box 196
Liberty, Illinois
(217) 645-3434
FAX (217)645-3606

KASKASKIA TRAIL COMMUNITY DEVELOPMENT CORPORATION
Pickneyville, Illinois

State Member Bank: DuQUOIN STATE BANK,
DuQuoin, Illinois

Date of Investment: 1996

Investments: \$575,000; \$25,000 to \$75,000 each investor

Description: Eight community banks formed the Kaskaskia Community Development Corporation to assist economic development efforts in Perry and Randolph counties. The banks are: Buena Vista National Bank, Chester National Bank, Citizens Bank, DuQuoin, IL; DuQuoin State Bank, First National Bank of Pickneyville, Murphy Wall State Bank & Trust Co., Charter Bank, and First National Bank, Sparta, IL.

Perry and Randolph counties have two of the highest unemployment rates in Illinois. Major industries in both counties have recently been closed. The purpose of the development corporation is to create, retain, and expand job opportunities in the area, to help new and existing businesses, to increase the tax base and to provide housing for low- and moderate-income residents. The Kaskaskia Community Development Corporation will loan money to provide gap financing of up to 50 percent of a project's total cost.

Contact: Henry River
President
First National Bank of Pickneyville
P.O. Box 208
Pickneyville, Illinois 62274
(618) 357-9393
FAX (618)357-3917

LOW-INCOME HOUSING INVESTMENTS

St. Louis Equity Fund Limited Partnerships St. Louis, Missouri

State Member Bank: CASS BANK & TRUST COMPANY
St. Louis, Missouri

Investment Dates 1994 and 1995 \$100,000
and Amounts: 1996 and 1997 \$ 50,000

Description: The St. Louis Equity Fund, Inc. is a nonprofit corporation founded in 1988 to help address the shortage of low-income housing in the St. Louis area. Each year The Equity Fund creates real estate investment partnerships to construct and/or renovate affordable housing. Corporations make capital investments in these partnerships to provide equity financing.

Contact: Dana L. Pannett
Assistant Vice President
Cass Bank & Trust Company
13001 Hollenberg Drive
Bridgeton, Missouri 63044
(314) 821-1500
FAX (314) 506-5560